

BEFORE THE IDAHO BOARD OF TAX APPEALS

IN THE MATTER OF THE APPEAL OF R. THOMAS AND) APPEAL NO. 06-A-2464
MARGARET A. WHALEY from the decision of the Board of) FINAL DECISION
Equalization of Valley County for tax year 2006.) AND ORDER

RESIDENTIAL PROPERTY APPEAL

THIS MATTER came on for hearing November 9, 2006, in Cascade, Idaho, before Hearing Officer Steve Wallace. Board Members Lyle R. Cobbs and David E. Kinghorn participated in this decision. Appellant R. Thomas Whaley appeared. Assessor Karen Campbell, Chief Deputy Assessor Deedee Gossi, and Appraiser Michael Johnson appeared for Respondent Valley County. This appeal is taken from a decision of the Valley County Board of Equalization denying the protest of the valuation for taxing purposes of property described as Parcel No. RP00209070000AA.

The issue on appeal is the market value of residential property.

The decision of the Valley County Board of Equalization is affirmed.

FINDINGS OF FACT

The subject property is located in the Pine Lakes Ranch Addition No. 2, approximately five miles north of Cascade, Idaho, with a panoramic view of the area and private access to Cascade Lake. The land area is 2.71 acres improved with a well and septic system. The residence, built in 1994, was rated by the Assessor as Class 6, good to very good quality, with 2,707 square feet on the main level and 1,944 square feet on the upper level, for a total of 4,651 square feet of finished living space. In addition there is 2,707 square feet of minimally finished basement garage and 1,661 square feet of decking.

Subject's assessed land value is \$201,670, and the improvements' valuation is \$432,000, totaling \$633,670. Appellant requested the total value be reduced to \$425,232.

Appellant provided no individual values for the land and improvements. The proposed total value was based on general market information provided by local real estate agents regarding a decrease in the local housing market in late 2005. Respondent countered that although listing prices of properties in Valley County may have been discounted to move sales more quickly, the assessed value of those properties was likely not established at the higher market rate from which a discount was taken.

Three bare land sales were presented by Respondent, as well as three improved property sales. Two of the improved sales were located in subject's subdivision and the third was located in the adjacent Pelican Heights Subdivision. The sales in subject's subdivision occurred in 2003 and 2005 for residences rated as "good +" and "average" respectively. The 2003 sale involved a "1st tier" exterior lot and sold for \$156.50 per square foot of finished living area. The 2005 sale involved a "4th tier" interior lot and sold for \$295.58 per square foot. Subject was considered a "1st tier" lot because of its unimpeded view and private access to Cascade Lake. Pelican Heights did not have private lake access and had slightly less panoramic views. This subdivision's comparable sale occurred in 2004 for \$129.83 per square foot.

Subject's 2006 assessment reflects a rate of \$136.24 per square foot. For comparison, Appellants' value claim reflects a rate of \$91.43 per square foot. The County noted the subject property is listed for sale at a price considerably higher than the assessed value under appeal.

The County provided considerable detail on the referenced sales and associated properties and how they compared with the subject property. Respondent's Exhibit No. 1.

CONCLUSIONS OF LAW

This Board's goal in its hearings is the acquisition of sufficient, accurate evidence

to support a determination of fair market value. This Board, giving full opportunity for all arguments and having considered all testimony and documentary evidence submitted by the parties in support of their respective positions, hereby enters the following.

The market value of non-selling land and improvements is commonly determined through the consideration of comparable sales (the sales comparison approach to value.) Appellant did not challenge the veracity of the comparable sales information or otherwise attempt to distinguish these properties from the subject. Only the County presented specific examples of recent, proximate, comparable sales with considerations for differences between the referenced properties and subject.

The definition of market value is found in Idaho Code § 63-201(1):

“Market value” means the amount of United States dollars or equivalent for which, in all probability, a property would exchange hands between a willing seller, under no compulsion to sell, and an informed, capable buyer, with a reasonable time allowed to consummate the sale, substantiated by a reasonable down or full cash payment.

“The value of property for purposes of taxation determined by an assessor is presumed correct, and the burden of proof is on the taxpayer to show . . . that the taxpayer is entitled to the relief claimed.” Merris v. Ada County, 100 Idaho 59, 64, 593 P.2d 394, 399 (1979); Ada County v. Sears, Roebuck & Co., 74 Idaho 39, 46-47, 256 P.2d 525, 530 (1953).

In this case the Board finds Appellants have submitted no additional information indicative of subject's probable land value, nor presented any evidence to support the requested total value reduction of subject. Appellants asserted that the properties in subject's local had been subjected to a “housing bubble” and that the “bubble” had deflated. No detailed supporting evidence was presented, nor any specific impact such factors may have had on the value of subject property.

Appellants provided no written documentation or appraisals to support the proposed

\$425,232 value of subject land and improvements. Appellants provided no basis of error in the 2006 assessment or value calculation by Respondent Valley County.

Respondent presented information on the valuations of other properties in the immediate area. Bare land and improved sales were provided supporting subject's assessment.

Based upon the evidence presented by Respondent, the Board concludes the assessed valuation of the subject property is appropriate and supported by price information from the market.

FINAL ORDER

In accordance with the foregoing Final Decision, IT IS ORDERED that the decision of the Valley County Board of Equalization concerning the subject parcel be, and the same hereby is, affirmed.

DATED this 27th day of April 2007.